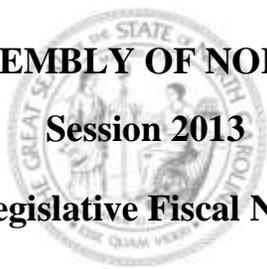


GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2013

Legislative Fiscal Note

BILL NUMBER: House Bill 553 (Second Edition)

SHORT TITLE: Amend Carteret Co. Occupancy Tax.

SPONSOR(S): Representative McElraft

FISCAL IMPACT					
(\$ in millions)					
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Estimate Available					
	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
State Impact					
General Fund Revenues:					
General Fund Expenditures:					
State Positions:					
NET STATE IMPACT	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Local Impact					
Revenues:	1.0	1.0	1.0	1.0	1.1
Expenditures:					
NET LOCAL IMPACT	\$1.0	\$1.0	\$1.0	\$1.0	\$1.1
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:					
NC Dept. of Revenue; Carteret County					
EFFECTIVE DATE Becomes effective when law.					
TECHNICAL CONSIDERATIONS:					
None					

BILL SUMMARY:

HB 553 would allow Carteret County to levy an additional 1% occupancy tax, for a total rate of 6%. Fifty percent of the proceeds would be remitted to the Carteret County Tourism Development Authority to be used to promote travel and tourism, and the remaining fifty percent would be used for beach nourishment. The bill would prohibit the county from accumulating more than \$30 million in tax proceeds for beach nourishment.

ASSUMPTIONS AND METHODOLOGY:

According to the Department of State Treasurer, the current 5% occupancy tax generated approximately \$4.5 million in 2012. This amount is divided by 5 to determine the amount generated by each one percent. The result is approximately \$0.9 million, which is grown by the General Consumer Price Index (CPI) to estimate the impact for future years.

SOURCES OF DATA: NC Dept. of State Treasurer

TECHNICAL CONSIDERATIONS: None

FISCAL RESEARCH DIVISION: (919) 733-4910

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APPROVED BY:

Mark Trogdon, Director
Fiscal Research Division

DATE: May 28, 2013



Signed Copy Located in the NCGA Principal Clerk's Offices